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HOUSE BILL 1593

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State of Washington                      60th Legislature                      2007 Regular Session

By Representatives Grant, Walsh, Moeller and Wood

Read first time 01/23/2007. Referred to Committee on Commerce & Labor.

1            AN ACT Relating to importing a simulcast race of regional or  
2 national interest on horse race days; amending RCW 67.16.200; and  
3 declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5            **Sec. 1.** RCW 67.16.200 and 2004 c 274 s 2 are each amended to read  
6 as follows:

7            (1) A class 1 racing association licensed by the commission to  
8 conduct a race meet may seek approval from the commission to conduct  
9 parimutuel wagering at a satellite location or locations within the  
10 state of Washington. In order to participate in parimutuel wagering at  
11 a satellite location or locations within the state of Washington, the  
12 holder of a class 1 racing association license must have conducted at  
13 least one full live racing season. All class 1 racing associations  
14 must hold a live race meet within each succeeding twelve-month period  
15 to maintain eligibility to continue to participate in parimutuel  
16 wagering at a satellite location or locations. The sale of parimutuel  
17 pools at satellite locations shall be conducted simultaneous to all  
18 parimutuel wagering activity conducted at the licensee's live racing

1 facility in the state of Washington. The commission's authority to  
2 approve satellite wagering at a particular location is subject to the  
3 following limitations:

4 (a) The commission may approve only one satellite location in each  
5 county in the state; however, the commission may grant approval for  
6 more than one licensee to conduct wagering at each satellite location.  
7 A satellite location shall not be operated within twenty driving miles  
8 of any class 1 racing facility. For the purposes of this section,  
9 "driving miles" means miles measured by the most direct route as  
10 determined by the commission; and

11 (b) A licensee shall not conduct satellite wagering at any  
12 satellite location within sixty driving miles of any other racing  
13 facility conducting a live race meet.

14 (2) Subject to local zoning and other land use ordinances, the  
15 commission shall be the sole judge of whether approval to conduct  
16 wagering at a satellite location shall be granted.

17 (3) The licensee shall combine the parimutuel pools of the  
18 satellite location with those of the racing facility for the purpose of  
19 determining odds and computing payoffs. The amount wagered at the  
20 satellite location shall be combined with the amount wagered at the  
21 racing facility for the application of take out formulas and  
22 distribution as provided in RCW 67.16.102, 67.16.105, 67.16.170, and  
23 67.16.175. A satellite extension of the licensee's racing facility  
24 shall be subject to the same application of the rules of racing as the  
25 licensee's racing facility.

26 (4) Upon written application to the commission, a class 1 racing  
27 association may be authorized to transmit simulcasts of live horse  
28 races conducted at its racetrack to locations outside of the state of  
29 Washington approved by the commission and in accordance with the  
30 interstate horse racing act of 1978 (15 U.S.C. Sec. 3001 to 3007) or  
31 any other applicable laws. The commission may permit parimutuel pools  
32 on the simulcast races to be combined in a common pool. A racing  
33 association that transmits simulcasts of its races to locations outside  
34 this state shall pay at least fifty percent of the fee that it receives  
35 for sale of the simulcast signal to the horsemen's purse account for  
36 its live races after first deducting the actual cost of sending the  
37 signal out of state.

1           (5) Upon written application to the commission, a class 1 racing  
2 association may be authorized to transmit simulcasts of live horse  
3 races conducted at its racetrack to licensed racing associations  
4 located within the state of Washington and approved by the commission  
5 for the receipt of the simulcasts. The commission shall permit  
6 parimutuel pools on the simulcast races to be combined in a common  
7 pool. The fee for in-state, track-to-track simulcasts shall be five  
8 and one-half percent of the gross parimutuel receipts generated at the  
9 receiving location and payable to the sending racing association. A  
10 racing association that transmits simulcasts of its races to other  
11 licensed racing associations shall pay at least fifty percent of the  
12 fee that it receives for the simulcast signal to the horsemen's purse  
13 account for its live race meet after first deducting the actual cost of  
14 sending the simulcast signal. A racing association that receives races  
15 simulcast from class 1 racing associations within the state shall pay  
16 at least fifty percent of its share of the parimutuel receipts to the  
17 horsemen's purse account for its live race meet after first deducting  
18 the purchase price and the actual direct costs of importing the race.

19           (6) A class 1 racing association may be allowed to import  
20 simulcasts of horse races from out-of-state racing facilities. With  
21 the prior approval of the commission, the class 1 racing association  
22 may participate in a multijurisdictional common pool and may change its  
23 commission and breakage rates to achieve a common rate with other  
24 participants in the common pool.

25           (a) The class 1 racing association shall make written application  
26 with the commission for permission to import simulcast horse races for  
27 the purpose of parimutuel wagering. Subject to the terms of this  
28 section, the commission is the sole authority in determining whether to  
29 grant approval for an imported simulcast race.

30           (b) When open for parimutuel wagering, a class 1 racing association  
31 which imports simulcast races shall also conduct simulcast parimutuel  
32 wagering within its licensed racing enclosure on all races simulcast  
33 from other class 1 racing associations within the state of Washington.

34           (c) On any imported simulcast race, the class 1 racing association  
35 shall pay fifty percent of its share of the parimutuel receipts to the  
36 horsemen's purse account for its live race meet after first deducting  
37 the purchase price of the imported race and the actual costs of  
38 importing and offering the race.

1           (7) A licensed nonprofit racing association may be approved to  
2 import one simulcast race of regional or national interest on each live  
3 race day.

4           (8) For purposes of this section, a class 1 racing association is  
5 defined as a licensee approved by the commission to conduct during each  
6 twelve-month period at least forty days of live racing. If a live race  
7 day is canceled due to reasons directly attributable to acts of God,  
8 labor disruptions affecting live race days but not directly involving  
9 the licensee or its employees, or other circumstances that the  
10 commission decides are beyond the control of the class 1 racing  
11 association, then the canceled day counts toward the forty-day  
12 requirement. The commission may by rule increase the number of live  
13 racing days required to maintain class 1 racing association status or  
14 make other rules necessary to implement this section.

15           (~~(8)~~) (9) This section does not establish a new form of gaming in  
16 Washington or allow expanded gaming within the state beyond what has  
17 been previously authorized. Simulcast wagering has been allowed in  
18 Washington before April 19, 1997. Therefore, this section does not  
19 allow gaming of any nature or scope that was prohibited before April  
20 19, 1997. This section is necessary to protect the Washington equine  
21 breeding and racing industries, and in particular those sectors of  
22 these industries that are dependent upon live horse racing. The  
23 purpose of this section is to protect these industries from adverse  
24 economic impacts and to promote fan attendance at class 1 racing  
25 facilities. Therefore, a licensed class 1 racing association may be  
26 approved to disseminate imported simulcast race card programs to  
27 satellite locations approved under this section, provided that the  
28 class 1 racing association has conducted at least forty live racing  
29 days with an average on-track handle on the live racing product of a  
30 minimum of one hundred fifty thousand dollars per day during the twelve  
31 months immediately preceding the application date. However, to promote  
32 the development of a new class 1 racing association facility and to  
33 meet the best interests of the Washington equine breeding and racing  
34 industries, the commission may by rule reduce the required minimum  
35 average on-track handle on the live racing product from one hundred  
36 fifty thousand dollars per day to thirty thousand dollars per day.

37           (~~(9)~~) (10) A licensee conducting simulcasting under this section  
38 shall place signs in the licensee's gambling establishment under RCW

1 9.46.071. The informational signs concerning problem and compulsive  
2 gambling must include a toll-free telephone number for problem and  
3 (~~compulsive~~) pathological gamblers and be developed under RCW  
4 9.46.071.

5 (~~(10)~~) (11) Chapter 10, Laws of 2001 1st sp. sess. does not  
6 establish a new form of gaming in Washington or allow expanded gaming  
7 within the state beyond what has been previously authorized. Simulcast  
8 wagering has been allowed in Washington before August 23, 2001.  
9 Therefore, this section does not allow gaming of any nature or scope  
10 that was prohibited before August 23, 2001. Chapter 10, Laws of 2001  
11 1st sp. sess. is necessary to protect the Washington equine breeding  
12 and racing industries, and in particular those sectors of these  
13 industries that are dependent upon live horse racing. The purpose of  
14 chapter 10, Laws of 2001 1st sp. sess. is to protect these industries  
15 from adverse economic impacts and to promote fan attendance at class 1  
16 racing facilities.

17 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
18 preservation of the public peace, health, or safety, or support of the  
19 state government and its existing public institutions, and takes effect  
20 immediately.

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